



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated : 29.08.2017

CORAM :

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**THE HONOURABLE MR.JUSTICE K.K.SASIDHARAN**  
**AND**  
**THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN**

W.A(MD)No.928 of 2016  
against WP(MD)No.11277 of 2010

J.Seethalakshmi

... Appellant/Petitioner

**Vs.**

1. The Chief General Manager,  
State Bank of India, Chennai Circle,  
No.6, College Road, Nungambakkam,  
Chennai - 600 006.
2. The Circle Development Officer,  
State Bank of India, H.R.Department,  
Local Head Office, Chennai - 600 006.
3. The Assistant General Manager (Admn),  
State Bank of India, Zonal Office,  
No.2, Dr.Ambedkar Road,  
Madurai - 625 002.
4. The Branch Manager,  
State Bank of India,  
Thiruvadanai Branch,  
Sivagangai District.

... Respondents 1 to 4/  
Respondents 1 to 4

**Prayer :** This Writ Appeal is filed under Clause 15 of Letters Patent, pleaded to allow the WP(MD)No.11277 of 2010, dated 30.06.2011 by directing the respondents to pay a sum of Rs.6,00,000/- with interest at the rate of 12% per annum to the appellant / petitioner under "SBI Scheme for Payment of Ex-gratia lump sum amount".

Prayer in WP(MD). 11277/ 2010 :

Writ Petition is filed under Article 226 of the Constitution of India, praying this Court to issue a WRIT OF MANDAMUS direct the respondents to pay a sum of Rs. 6,00,000/- with interest at the rate of 12% per annum to the petitioner under the "SBI Scheme for payment of EX-Gratia Lump sum amount" was implemented and as per the recommendations of the 3rd respondent in his proceedings HR-FUNDS: 3420/1010 dated 05.02.2009.



For Appellant : Mr.D.Sivaraman  
For Respondent : Mr.S.Sethuraman for R3

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**J U D G M E N T**

**(Judgment of the Court was delivered by G.R.SWAMINATHAN, J.)**

The unsuccessful writ petitioner is on appeal challenging the order dated 30.06.2011 made in WP(MD)No.11277 of 2010.

2.The husband of the appellant was working as Head Messenger in State Bank of India, Thiruvadanai Branch, Sivagangai District. He died while in service on 16.08.2004. The appellant requested the respondent Bank seeking compassionate appointment on 31.10.2004. But, the application was not processed immediately and kept pending. On 04.08.2005, the bank introduced a new scheme for payment of Ex-gratia lump sum amount. The intention was to give immediate monetary assistance in lieu of compassionate appointment.

3.It is seen that the application for ex-gratia lump sum amount was submitted on 31.01.2006. The respondent bank did not award the said ex-gratia lump sum amount to the appellant. The appellant had to file WP(MD)No.11277 of 2010 for disbursement of the said sum of Rs.6,00,000/-. The said writ petition was taken up for disposal on 30.06.2011. The learned standing counsel for the bank informed the Court that a policy decision had been taken not to defend or oppose such cases. In view of the same, the writ petition was allowed on 30.06.2011 and the bank subsequently paid the sum of Rs.6,00,000/- to the appellant herein. Since interest was not awarded, the present writ appeal has been filed. This request for payment of interest was opposed by the learned counsel for the bank.

4.The facts are not in dispute. The husband of the appellant died while in service. The bank had introduced the scheme for payment of lump sum amount instead of granting compassionate appointment in such cases. The amount payable to the appellant was Rs.6,00,000/-. The scheme was in force since 18.08.2005. The appellant gave an application for receiving the said amount on 31.01.2006. Therefore on the said date, the amount of Rs.6,00,000/- ought to have been paid to the appellant. It was paid only after the disposal of the writ petition on 30.06.2011. More than 5 ½ of years have already lapsed in the meanwhile. The liability to pay interest is founded in the doctrine of compensation. The bank ought to have paid the said amount of Rs.6,00,000/- to the appellant on 31.01.2006 itself. There has been a delay of several years in making the said lump sum payment. The appellant is clearly entitled to interest thereon.

5.We therefore allow this writ appeal by directing the respondent bank to pay interest to the appellant at the rate of 7%



per annum on Rs.6,00,000/- calculated from 31.01.2006 to till date of payment. No costs.

Sd/-

Assistant Registrar (Crl.side)

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/True Copy/

Sub Assistant Registrar

**To**

1. The Chief General Manager,  
State Bank of India, Chennai Circle,  
No.6, College Road, Nungambakkam,  
Chennai - 600 006.
  2. The Circle Development Officer,  
State Bank of India, H.R.Department,  
Local Head Office, Chennai - 600 006.
  3. The Assistant General Manager (Admn),  
State Bank of India, Zonal Office,  
No.2, Dr.Ambedkar Road,  
Madurai - 625 002.
  4. The Branch Manager,  
State Bank of India,  
Thiruvadanai Branch,  
Sivagangai District.
- + 1 CC TO Mr.D.SIVARAMAN, ADVOCATE IN SR No. 75272  
+ 1 CC TO Mr.S.SETHURAMAN, ADVOCATE IN SR No. 75205

SKM/ARUL

TE/KP/SAR-III : 18/09/2017 : 3P/7C

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